No Objection to Declassification in Part 2010/12/17 : LOC-HAK-262-2-21-5

DOS Review Completed.

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TO AMEMBASSY BUCHAREST

S E C R E T [redacted] WH43095

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

TOHAK 134

PASS TO BREMER/GOMPERT FOR THE SECRETARY

25X1 NOVEMBER 3, 1974

TO: HENRY A. KISSINGER
FROM: ROBERT HORMATS
SUBJECT: COMMENTS ON WORLD FOOD CONFERENCE SPEECH

I HAVE GONE OVER LATEST DRAFT OF SPEECH. I HAVE NOT BEEN ABLE TO REACH ENDERS, BUT I WILL SHOW HIM TEXT AND MY COMMENTS AND FORWARD HIS SUGGESTIONS. MY COMMENTS ARE:

-- IN PARAS 20, 28 AND 62 THE TERM "SURPLUS COUNTRIES" CONTINUES TO BE USED. ENDERS AND I SUGGESTED EARLIER THAT USE OF THIS TERM IS PSYCHOLOGICALLY DISADVANTAGEOUS TO U.S. AND INACCURATE AS WELL. IT SHOULD BE CHANGED TO "EXPORTING COUNTRIES" WHEREVER IT APPEARS. IN PARA 20(B) SUGGEST REMOVAL OF "FROM WHERE IT IS IN SURPLUS."

-- PARA 29. BEGINNING THE PARAGRAPH WITH "FOR THIS REASON" RAISES THE QUESTION -- FOR WHAT REASON? IS THE GAP THE RESULT OF INADEQUATE DEVELOPING COUNTRY PRODUCTIVITY? IF SO, INCLUSION OF THE LAST SENTENCE IN PARA 28 BREAKS UP THE TRAIN OF THOUGHT. AND, MANY DEVELOPING COUNTRIES WILL, IN ANY EVENT, RESENT THE ACCUSATION. IT MIGHT BE BEST TO GO BACK TO "UNHAPPILY" AS IN THE EARLIER DRAFT. ALSO, SUGGEST REMOVAL OF "AN INCREASE OF FORTY PERCENT," OR MODIFICATION TO READ "AN INCREASE IN THE RATE OF GROWTH OF FORTY PERCENT."

-- PARA 43. $400 MILLION FIGURE IS INACCURATE. AMOUNT OF INCREASE IS $336; FROM FY 74 TO FY 75 ($306 TO $642). SUGGEST YOU SAY "ALMOST $350 MILLION." FOR FY 76 THE TENTATIVE FIGURE

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JANKA, SECFLE

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PSN:049474 PAGE 01 TOR:307/23:16Z DTG:032239Z NOV 74

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IS $870. MILLION, BUT THIS IS NOT IN THE (CURRENT BUDGET).(UNDER-LINED)

-- PARA 49. AS YOU KNOW, THE PRESIDENT HAS LEFT THIS TO YOUR JUDGMENT. WHILE ANNOUNCING AN INCREASE IN THE QUANTITY OF FOOD AID WOULD PROBABLY NOT BE CATASTROPHIC, THERE IS A RISK THAT IT WILL INCREASE FOOD PRICES AND THEREBY IMPAIR OUR ABILITY TO INCREASE THE QUANTITY OF FOOD AID. ALSO, WE ARE ISOLATED WITHIN THE GOVERNMENT ON THIS POINT. ALL AGENCIES EXCEPT STATE OPPOSE ANNOUNCING AN INCREASE IN AMOUNT AS DO ALL WHITE HOUSE GROUPS EXCEPT NSC; YOU COULD BE CRITICIZED AND SNIPED AT FROM WITHOUT AS WELL AS WITHIN.

THERE ARE TWO SIMILAR FORMULATIONS WHICH I WOULD RECOMMEND YOU CONSIDER. WHILE LESS DRAMATIC THAN YOUR PRESENT FORMULATION, EITHER WOULD ACCOMPLISH YOUR ESSENTIAL PURPOSE WHILE DAMPENING THE POTENTIAL CRITICISM AT HOME.

-- ANNOUNCE THAT THE U.S. WILL INCREASE ITS FOOD AID CONTRIBUTION; OR

-- ANNOUNCE SIMPLY THAT THE U.S. WILL INCREASE ITS FOOD AID. IN EITHER CASE, YOU ARE NOT PRECLUDING AN INCREASE IN AMOUNT, ALTHOUGH YOU WOULD BE BEGGING THE QUESTION. IN BACKGROUNDING, HOWEVER, YOU COULD STATE THAT WE CERTAINLY WOULD MEET THE PRESIDENT'S UN COMMITMENT TO INCREASE FOOD AID SPENDING, AND THAT WE EXPECT TO INCREASE THE AMOUNT OF FOOD AID AS WELL; BUT THAT THE LATTER WOULD DEPEND HEAVILY ON THE FOOD PRICE SITUATION IN COMING MONTHS.

-- ALSO IN PARA 49, THE WORDS "CAN MATCH" IMPLIES THAT WE WILL MEET ALL NEEDS. THE PHRASE "RESPONSIVE TO" WOULD BE PREFERABLE.

-- BELIEVE THAT NEW FORMULATION IN HAKTO-87 IS AN IMPROVEMENT AND REPRESENTS A DESIRABLE BUREAUCRATIC SIMPLIFICATION. ALSO AGREE THAT IT WOULD BE DESIRABLE TO SPECIFY ESTABLISHMENT OF SUBCOMMITTEE ON FINANCING; THIS PROVIDES POSITIVE BUREAUCRATIC FOCUS. ONE CONCERN IS THAT IN NEW PARA 53 AS WELL AS IN PARA 42 REFERENCE TO "NEW DONORS," MAY BE CONFUSING. WOULD IT BE CLEARER TO BE EXPLICIT AND SAY " NEW FINANCIAL POWERS."

-- IN YOUR NEW PARA. 52 (HAKTO-87) THE PHRASE "DISPOSE OF REAL" IS CONFUSING AND INACCURATE. I SUGGEST THE WORD "HAVE."

-- NEW PARA. 55, SUGGEST "LONG-TERM" BE DELETED; THIS IMPLIES THAT NEAR-TERM NEEDS SHOULD NOT BE FOCUSSED ON, AND RAISES QUESTIONS AS TO THE NEED FOR URGENCY. SENTENCE MIGHT BE REVISED TO READ: "... MONETARY FUND, GIVE HIGH PRIORITY TO A STUDY OF WHETHER EXISTING SOURCES OF FINANCING ARE ... "THE DEVELOPMENT

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COMMITTEE ALREADY HAS A MANDATE TO EXAMINE THE NSA PROBLEM, WE WANT IT TO ADDRESS THAT FIRST. SUGGEST ALSO THAT "THE MAJOR VOICE" BE DELETED, AS THE OIL PRODUCERS DO NOT HAVE A MAJOR VOICE AND HAVE FREQUENTLY SAID SO. THE PHRASE "A MAJOR INFLUENCE" WOULD BE MORE TO THE POINT.

-- SUGGEST REMOVAL OF "INITIATE" IN PARAS 58 AND 60. "INITIATE" IMPLIES THAT THE MONEY WILL BE PROVIDED AT THE BEGINNING. IN FACT IT WILL PROBABLY BE SPREAD OUT OVER TIME, AND CERTAINLY NOT UNTIL WE HAVE ASSESSED THE WORTH OF INDIVIDUAL PROJECT PROPOSALS. IN PARA 58, "PRIORITY NEEDS AS THEY DEVELOP" WOULD BE A GOOD SUBSTITUTE FOR THE ENTIRE LAST PHRASE.

-- PARA 62. THE U.S. HAS NOT REMOVED ALL ACERAGE RESTRICTIONS, AS PARA 25 CLEARLY IMPLIES. SUGGEST INSERTING "VIRTUALLY" AFTER "REMOVED," ALSO SUGGEST INSERTING "OF" AFTER "ALL"; "THAT" AFTER "AND"; AND "HAVE" AFTER "FARMERS."

-- PARA 65. SUGGEST FOR REASONS NOTED IN TOHAK-95 ADDING AFTER "GREATEST." THE FOLLOWING SENTENCE: "THIS GROUP'S WORK WILL HAVE A MAJOR EFFECT ON THE FUNCTIONING OF WORLD MARKETS, AND MUST THEREFORE BE CARRIED OUT IN CLOSE COORDINATION WITH OTHER INTERNATIONAL EFFORTS TO IMPROVE THE WORLD TRADING SYSTEM." ALTERNATIVELY, YOU MIGHT SIMPLY STATE THAT "THIS GROUP'S WORK SHOULD BE CARRIED OUT IN CLOSE COOPERATION WITH OTHER INTERNATIONAL EFFORTS TO IMPROVE THE WORLD TRADING SYSTEM."
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